COMMONWEALTH OF PENNSYLVANIA

OFFICE OF CONSUMER ADVOCATE
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May 29, 1996

Mr. William Caton
Acting Secretary
Federal Communications Commission
1919 M Street, N.W.
Room 222
Washington, DC 20554

DOCKET FILE COPY ORIGINAL

Re: Allocation Of Costs Associated With Local Exchange Carrier Provision Of Video Programming Services
CC Docket No. 96-112

Dear Mr. Caton:

Enclosed please find an original and eleven copies of the Comments Of The Pennsylvania Office Of Consumer Advocate for filing with the Commission in the above-referenced matter.

Please indicate your receipt of this filing on the additional copy provided and return to the undersigned in the enclosed self-addressed, postage prepaid, envelope. Thank you.

Sincerely yours,

Philip F. McClelland
Assistant Consumer Advocate

Enclosure
CC: All parties on attached Certificate Of Service
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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION

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In The Matter Of
ALLOCATION OF COSTS
ASSOCIATED WITH LOCAL
EXCHANGE CARRIER PROVISION OF
VIDEO PROGRAMMING SERVICES

CC Docket No. 96-112

COMMENTS OF THE PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE

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DATED: May 29, 1996
36932

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I. SUMMARY

The Federal Communications Commission (FCC) in its Notice of Proposed Rulemaking (NPRM) has proposed a number of measures in order to make certain that costs on an integrated video network are properly allocated between regulated telephone services and nonregulated video services. These Comments respond to that NPRM.

In general, the FCC must do whatever is necessary to guard against the over-allocation of broadband costs to the least elastic least competitive telephone services. At least 50% -- and possibly much more -- of the broadband loop costs must be allocated to video services for which that broadband network is being built.

The Pennsylvania Office of Consumer Advocate (PaOCA) emphasizes in this summary the following points:

> The FCC must take the type of action proposed in order to prevent the over allocation of loop costs to telephone service on an integrated telephone/video network. LECs have great incentive to engage in this type of conduct.
>
> Loop costs present the greatest difficulty in allocating network plant. It will often be difficult to segregate loop facilities that provide telephone service from loop facilities that provide video service and make direct assignments on that basis.
>
> Where economies of scope exist on a telephone/video network, the consumer of telephone services should share in those economies.
>
> Section 254 of the Telecommunications Act of 1996 requires this allocation. The requirements that rates must be "just, reasonable and affordable," that non-competitive services shall not subsidize competitive services, and that universal service shall bear no more than a reasonable share of joint and common costs all compel this result.
>
> A high value should be attached to administrative simplicity rather than detailed cost examinations of individual networks.
>
> Minutes of use is not an appropriate method to assign loop plant but may serve as an allocation method for switching plant.

A cost cap should be applied so that telephone customers on an integrated telephone/video network are not required to support network costs that are greater than those required on a stand alone telephone network.

A fixed allocator would be appropriate. However, telephone customers should receive less than a 50% allocation of the costs on an integrated telephone/video network.

Interoffice facility costs should be allocated based on bandwidth.

Spare capacity should be allocated to video and telephone based on a fixed allocator during the five year period prior to the offering of video services.

Revised cost allocations should be reflected in reductions in price cap rates.

II. PRESENTATION OF COMMENTS

A. LECs Have An Incentive To Allocate Costs To The More Inelastic And Less Competitive Telephone Services.

The Pennsylvania Office of Consumer Advocate (PaOCA) has long been concerned that a Local Exchange Carrier (LEC), which constructs a network that is able to offer both video and telephone services, will have an incentive to shift costs from video services to telephone services. This is likely to occur as telephone services are more price inelastic than video services. This is also likely to occur whenever an incumbent LEC has in place a network which is able to offer telephone services and wishes to rebuild such a network to compete in the video service market.

For example, while the Pennsylvania Public Utility Commission has recently authorized a number of competing local exchange carriers to offer telephone services, incumbent LECs in Pennsylvania and nationally still maintain essentially a 100% market share for all non-toll telephone services. However, many LECs, including Bell Atlantic - Pennsylvania, Inc., have announced their intent to enter the video market and compete with existing video providers, i.e. cable companies. As LECs move from an environment where they command 100% market share to an environment where they have 0% market share, they are likely to attempt to reduce rates and costs however possible in the competitive market in which they are entering. This has the potential of forcing telephone customers to bear the costs of video capabilities. The FCC has recognized this problem as follows:

> Demand for telephone service is at present highly inelastic. Thus, without either regulatory intervention or workable competition, incumbent local exchange carriers have the ability to shift to telephone ratepayers a large portion of the cost of facilities used for both regulated ad nonregulated activities. Such a result is contrary to the 1996 Act's requirement that ratepayers of regulated services not bear the costs or risks of competitive ventures and, therefore, would be an unacceptable result.

NPRM at ¶ 41. The PaOCA strongly supports the FCC on this point and concurs that the FCC must carefully consider how it can make certain that the consumer of regulated telephone service does not involuntarily support the LEC's competitive ventures into video services.[1]

B. Loop Costs Are Difficult To Allocate As They Often Are Joint And Common Costs.

The PaOCA also agrees that the most difficult part of constructing the required safeguards is the allocation of common costs on the network related to the facilities which run from the switch to the customer. Id. at ¶ 2. This problem arises as it is quite possible that the same telecommunications facility may transmit both voice grade telephone service and video services.[2] Even if different channels in the same facility are used to provide telephone and video service, e.g. different channels over the same fiber optic facility, the problem of allocating the cost of that fiber optic facility remains. Thus, it is necessary to allocate outside plant costs between regulated and nonregulated categories. NPRM at ¶19

The PaOCA also concurs with the FCC that these costs will be both joint and common costs and such costs must be dealt with through the Part 64 cost allocation process. Id. at ¶ 9. Under the definitions proposed by the FCC, for example, it appears that the cost of the copper loop on an

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[1] The PaOCA also recognizes, as stated in the NPRM, that these cost allocation rules will also relate to other nonregulated activity in which LECs may engage. The PaOCA recommends that the comments contained herein should also be made applicable to other problems of allocating costs between regulated and nonregulated activity whenever possible.

[2] The PaOCA notes that the Chesapeake and Potomac Telephone Company of Virginia has received authority to conduct a video trial using ADSL technology to transmit both voice grade and video services over a copper loop. In the Matter of the Application of the Chesapeake and Potomac Telephone Company of Virginia for Authority Pursuant to § 214 to provide Video Dialtone Service, File No. W-P-C-6834. In that litigation, the PaOCA advocated that the cost of the copper loop must be allocated between voice service and video service.

ADSL equipped network would be a "joint cost," i.e. the elimination of either the telephone service or the video service would not cause the loop costs to be eliminated. Id. at ¶ 9 n.19.

This issue becomes more problematic with regard to fiber optic cable costs. The PaOCA submits that a fiber optic distribution network is not necessary to provide telephone service. Even if a fiber optic facility is used to provide telephone service, a much larger amount of fiber cable is required in order to provide video service given its much larger bandwidth requirements. Thus, if video service were eliminated from a fiber optic distribution network, some of the cost of the fiber optic facilities would necessarily be eliminated. In this sense, the full extent of the fiber optic investment does not represent a joint cost of both voice and video service and a substantial portion of these costs should be allocated fully to video service. In any event, it is likely that some portion of fiber optic "loops" will represent a joint and common cost, i.e. some part of the same fiber optic cable or strand will be used to provide both telephone and video service. As a result, it will be necessary to determine what portion of fiber optic costs should be allocated to regulated telephone service and nonregulated video service.

The PaOCA also supports the direct assignment of costs to video wherever possible. Id. at ¶ 12. Where it is possible to determine that a fiber optic facility carries only video service, that facility should be assigned exclusively to video service.

The PaOCA also supports the FCC's suggestion that common costs should be directly assigned, or allocated based upon cost incurrence or by a general allocator. Id. at ¶13. The PaOCA also supports a similar cost allocation method where shared costs include a traffic sensitive component. Id. at ¶ 17.

C. Economies Of Scope Should Be Shared With Regulated Telephone Service.

The PaOCA also supports many of the FCC's statements contained at Paragraph 20 concerning the goals of such cost allocations. The goal of a cost allocation system should be to capture any economies of scope achieved over an integrated broadband network to regulated voice grade telephone service. Id. at ¶ 20, 23. Particularly important is the FCC's determination that:

> We seek to establish bounds on cost assignment that could prevent misallocations (or over-allocation) of costs that are common to the regulated and nonregulated activities. An over-allocation of common costs to regulated activities would cause regulated ratepayers to bear more costs than they would had the shared use facilities not been built.

Id. at ¶ 20.

The PaOCA also agrees that it is appropriate generally, and, specifically, with respect to video and telephone services, that such services should be priced above incremental cost but less than the stand alone cost. Id. at ¶ 20. While this pricing guideline is helpful, because the shared costs of these services may be so large, this principle provides little guidance as to how to allocate loop costs and what price to apply in such a broad range.

D. The Telecommunications Act Requires Cost Allocation Of Loop Plant For Telephone Service.

Such care in allocating costs is also necessary given the legal requirements of the Telecommunications Act of 1996. The NPRM correctly indicates that the FCC is bound by Section 254(b)(1) which requires that universal service rates must be "just, reasonable and affordable." Id. at ¶ 22. The NPRM is also correct that Section 254(k) prohibits services that are not competitive from subsidizing services that are subject to competition. Id. As the FCC notes, this prohibits

charging ratepayers for telephone service in order to recover more than the stand alone cost of a network capable of providing telephone service only. Id. at ¶ 23

Equally important is the second portion of Section 254(k) which prohibits forcing universal service to bear "more than a reasonable share of the joint and common costs of facilities used to provide those services." The "facilities" at issue would necessarily apply to any joint and common costs of fiber optic facilities identified by the FCC that provide telephone service - even if those facilities also provide deregulated video services. Thus, Section 254(k) necessarily requires that costs must be allocated between video and telephone service so that "universal service" will bear no more than a reasonable share of those facility costs. Otherwise, if telephone service is burdened with a disproportionate share of all loop costs, it will be that much more difficult to make certain that universal service, i.e. a subset of all telephone services, will not pay more than a reasonable share of loop costs. This provision provides further support for the FCC's cost allocations - and, in fact, requires that telephone services pay no more than a reasonable share of those costs.[3]

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[3] This point is made ever more clear by the Congressional Joint Explanatory Statement of the Committee of Conference ("Committee Report"). In the Committee Report, the related provisions originally contained in the Senate bill are explained. The Committee Report explains:

> Subsection (h) of new section 253 prohibits telecommunications carriers from subsidizing competitive services with revenues from non-competitive services. The Commission and the States are required to establish any necessary cost allocation rules, accounting safeguards, and other guidelines to ensure that universal service bears no more than a reasonable share (and may bear less than a reasonable share) of the joint and common costs of facilities used to provide both competitive and noncompetitive services.

Committee Report at 129 (emphasis added). This legislative history makes it very clear that the intent was to limit the share of joint and common costs that universal service shall bear. The Committee Report even emphasizes that universal service may provide less than a reasonable share of such costs.

E. Any Cost Allocation Method Should Value Administrative Simplicity.

The PaOCA also recognizes that administrative simplicity is important in implementing these cost allocations. Id. at ¶ 25. The FCC is correct that "If allocation methods are too complex, they become costly and burdensome for companies to implement and for regulators to determine whether carriers are in compliance with such rules." Id. The FCC has tentatively concluded that specific allocation factors should be prescribed for allocating video programming and other nonregulated costs. Id.

The PaOCA agrees that, as the application of cost allocation rules becomes overly complex, it becomes very difficult to rely upon the accuracy of the proposed allocations. This is particularly true given that integrated broadband network architectures are likely to be complex and will vary from location to location. There will also likely be substantial controversy as to what costs properly relate to which services. Even though uniform cost allocation methods will necessarily result in some loss of precision, the benefit of uniformity in many respects will outweigh the difficulty of making multiple cost allocations of individual broadband networks.

Individual cost studies are also difficult when network information and cost data is withheld due to proprietary concerns. The PaOCA advocates that cost allocations must be done after complete disclosure to the affected parties. This allocation process should not be done based upon proprietary information and models that are unavailable to the other parties. Public assurance of

proper cost allocation based on non-public information will necessarily be difficult to achieve.

F. Direct Assignment Of Loop Plant Is Not Practicable.

The FCC also requests comment as to whether "loop plant" can be directly assigned to regulated or nonregulated services. Id. at ¶ 29. The FCC suggests that this will be impractical "because either all or the vast majority of loop plant that would be used for video, high-capacity or otherwise competitive services would also be used for regulated activities." Id. The PaOCA is willing to accept this proposition as generally true for most applications in the future. The PaOCA submits that, even if it is possible to segregate "loop" plant into plant that provides video and plant that does not, such segregation is likely to be difficult in the long run. As electronic equipment progresses and increases in capability, any preexisting segregation as to regulated or nonregulated plant will likely disappear. Thus, plant segregation and assignment is likely not a worthwhile approach.

G. Allocation Should Not Be Based On Minutes Of Use For Loop Plant But Such An Allocation May Be Used For Switching.

The FCC also asks for comments concerning allocation of telephone and video costs based on relative minutes of use. Id. at ¶ 30. Under such a system, the minutes used for telephone traffic and video traffic would be studied and plant would be allocated on that basis.

The PaOCA submits that such an allocation would not be fair or appropriate. As the NPRM references, video bit speeds or bandwidth will greatly exceed that of voice grade services. Id. For example, in the 1992 Video Dialtone Application filed by New Jersey Bell for service in Florham Park, New Jersey at In the Matter of the Application of the New Jersey Bell Telephone Company for Authority Pursuant to § 214 to Provide Video Dial Tone Service, File No. W-P-C

6838, New Jersey Bell proposed to connect Host Digital Terminals to switching facilities by fiber optic trunks. New Jersey Bell App. at Exh. 2. Each such terminal provided "378 voice channels (64 Kb/s data streams) and 384 video channels." Id. at 1. But each such video channel required 7.5 Mb/s on the fiber trunks. Id. While the number of voice and video channels were roughly the same, the total voice channel capacity required was only 24 2 Mb/s while the total video capacity required was 2,880 Mb/s.

Because of the great differences in the bandwidth used by video and telephone, it would make little sense to allocate loop cost based upon minutes of use. One minute of video and one minute of telephone usage do not require equal amounts of loop capacity. Minutes of usage would not be a reasonable allocation method unless the capacity requirements for each service were roughly equal.

The FCC also requests comment on cost allocation based upon the relative use of switching equipment. Id. at ¶ 32. Here the FCC proposes that the capacity of a circuit should be considered and that "a circuit having ten times the capacity of another circuit may incur ten times the cost." Id. The PaOCA suggests that this would be an appropriate allocation, i.e. switching costs could be allocated based upon minutes of use if capacity costs are also considered.[4]

The PaOCA also notes that it may be that separate switches, overlays or modules will be used for voice and video switching, i.e. the same switch will not be used to switch a voice and video channel. If the switch investments are segregated this should resolve the cost allocation problem by making direct assignments possible.

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[4] For example, if a telephone call used a switch for 1 minute and a video transmission used a switch for 1 minute, but the video transmission used 20 times the switch capacity of the telephone call, the video allocation would be 20 times the voice allocation.

H. A Cost Cap Based Upon The Stand Alone Cost Of A Telephone Network Should Be Applied.

The PaOCA supports the use of a fixed allocation ceiling as discussed by the FCC. Id. at ¶¶ 35-36. Such a cost ceiling or cost cap would properly limit the costs that could be applied to telephone service under any cost allocation system to the cost of a stand alone telephone network. If an allocated portion of an integrated broadband network produces a lower cost for telephone service than the cost ceiling, the lower cost should be applied in order to realize the economics of scope on an integrated network.

The FCC generally suggests in its NPRM, that economies of scope will likely be achieved on an integrated broadband network. Id. at 35. These economies should necessarily be shared between voice and video services. However, it is not yet clear how extensive those economies will be and what the ultimate result will be once a cost allocation method is applied.

The PaOCA is concerned that substantial economies of scope may not be found to exist on an integrated broadband network. For example, assume that the stand alone cost of a telephone network is $700 and the cost of an integrated telephone/video network is $2,100. Even if telephone costs were calculated using a 50% allocation, the telephone costs would then be $1,050. This would be well in excess of the cost of a telephone network if no attempt had been made to construct a network capable of providing video services. The OCA suggests that this hypothetical illustrates why a cost ceiling should be applied as an additional limitation to any cost allocation safeguard.

The PaOCA suggests that, even if a cost allocation system is carefully designed and applied on such a network, the result of that analysis may be that the telephone share of costs on an

integrated network will be greater than the stand alone cost of a telephone network. Such a result would practically mean that the telephone customer would realize no benefit or economies of scope from an integrated broadband network, but would actually have to support a higher cost network than would otherwise be necessary

The proposed stand alone cost cap will only be applied if projected economies of an integrated network are not achieved. If such economies are found to exist in the future, the allocated cost of an integrated broadband network will likely produce a lower cost than the stand alone cost of a telephone network. Thus, the telephone network cost ceiling will only be effective if such economies are found not to occur.[5]

I. A Fixed Allocator May Be Applied, But Should Allocate Less Than 50% Of Loop Cost To Telephone Service.

The FCC has tentatively concluded that a fixed allocator of 50% should be used to allocate loop plant on an integrated telephone/video network. Id. at ¶ 39-40. The PaOCA agrees that a fixed allocator is appropriate. Such an allocator would be preferable to the problems of allocating cost based upon minutes of use and the difficulty of applying individual studies of particular networks.[6]

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[5] The FCC has effectively recognized this same point at Paragraph 35. The FCC explains that, if such economies exist, then the cost of the integrated network will be less than the cost of the stand alone video and telephone networks combined. NPRM at ¶ 35. The FCC also correctly observes that "if the provision of a hybrid system is an economically efficient business decision, it will include economies of scope." Id. If such economies do not exist, the FCC should not subsidize a video system by forcing the telephone customers to bear greater costs than the stand alone costs of a telephone system.

[6] The PaOCA also recognizes that under Section 653(a)(1) the Open Video system operator must self-certify compliance with any FCC regulations and the FCC has only 10 days to approve or disapprove the application. Thus, the FCC would have no real opportunity for individualized studies in response to an application.

The PaOCA submits, however, that a fixed allocator of 50% for telephone plant overallocates costs of loop plant to telephone service on an integrated network. The PaOCA submits that one means of testing this allocator is to consider the type of stand alone cost comparison referenced by the FCC at Paragraph 35. The PaOCA submits that, if it is found that the stand alone costs of a telephone and video network are equal, then it is reasonable to apply such a 50% allocation. However, the cost analyses of which the PaOCA is aware do not suggest that this equality of cost has yet been realized. Rather, the stand alone cost of a high bandwidth video network is greater than that required for voice service alone.

Given the greater amount of transmission capacity necessary in loop plant and the difficulty of switching much greater bandwidth, it appears that the cost of a video network continues to exceed the cost of a telephone network. While the cost of electronics and transmission plant on both telephone and video networks have declined, the higher cost of a stand alone video network has not yet declined so as to equal the cost of a telephone network

For example, Dr. Leland Johnson has submitted a declaration in the Bell Atlantic video dialtone tariff case in which he referenced the estimates of David Reed and Mark Hatfield as to the cost per customer of a telephone network (excluding switching) of approximately $700.[7] However, the cost estimates of Bell Atlantic in that proceeding of the integrated broadband network was $1,785 (excluding switching). Johnson Declaration at 5. Thus, in that proceeding it did not appear that the

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[7] Dr. Johnson attached this declaration to the pleadings of the National Cable Television Association, et al., in the case of In the Matter of The Bell Atlantic Telephone Companies Tariff FCC No. 10, Video Dialtone Services, Transmittal Nos. 741, 786 Amended, CC Docket No. 95-145. This estimates comes from page 7 of the Declaration. The Hatfield and Reed sources cited are David P. Reed, Residential Fiber Optic Networks, An Engineering and Economic Analysis, Artech House, 1992, at 288-289; Hatfield Associates, Inc., The Cost of Basic Universal Service (July 1994)

costs of a telephone network and video network were equal. The PaOCA submits that before a 50% allocator is accepted it should be demonstrated that the stand alone costs of the two networks are equivalent.

Also, as noted above, the loop capacity required for telephone and video service is very unequal. With regard to the Florham Park Bell Atlantic video dialtone application, the loop capacity for a video channel is more than 120 times the capacity of a voice grade channel. While the PaOCA does not necessarily advocate the use of bandwidth as an allocator for loop costs, such dramatically disproportionate bandwidth requirements do not support a 50% allocator. Instead, the PaOCA advocates that the FCC should consider the comparative costs of stand alone video and telephone networks and allocate loop plant costs on an integrated network in proportion to the stand alone costs of each.[8]

J. Interoffice Cost Should Be Allocated Based Upon Capacity Required.

The FCC also asks how telephone and video interoffice transmission facilities may be allocated based upon a fixed factor. NPRM at ¶ 46. The PaOCA submits that interoffice facilities should be allocated based upon capacity required. Interoffice plant need not be constructed in order to serve the needs of every individual customer in the local serving area, but instead is based upon the needs of the entire group of customers served from each wire center. In this respect, it is more reasonable to allocate interoffice costs based upon the capacity required for whatever purpose demanded. Projected capacity requirements can be used for this purpose.

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[8] For example, if the stand alone costs of a telephone and video network were $700 and $1400 respectively, the telephone costs would be 1/3 and the video costs 2/3 of an integrated network.

K. Spare Capacity Should Be Based Upon Projected Demand.

The FCC has appropriately recognized the problem of allocating spare capacity on a telephone/video system. NPRM at ¶ 51 Current rules require that spare capacity required for nonregulated activity should be assigned to nonregulated services based upon a three year projection. Id. The FCC correctly observes that, as LECs provision their networks in anticipation of providing video services, spare capacity is installed in anticipation of video offerings. Id. at ¶ 52. Spare capacity in recent years has run as high as 65% to 70% Id. Such spare capacity is not installed in anticipation of growth in telephone service, but for video service instead. Id.

The PaOCA supports the finding of the FCC as follows:

> We believe that Congress did not intend that telephone exchange service or exchange access subscribers pay rates designed to recover the costs of spare capacity that eventually will be used for video programming and other services that may be competitive. [Citation to § 254(k) of the Act]. This could occur, however, if, for example, spare facilities intended for competitive video programming services are allocated to residual categories that include spare facilities reserved for telephone services

Id. at ¶ 53. The PaOCA emphasizes the inequity of the manner in which spare capacity is presently allocated if a projected demand allocator for deregulated services is not applied. As the FCC explains, spare facility costs are now allocated to regulated services currently provided. Id. at ¶ 52. Thus, if no projection of deregulated capacity is used, spare capacity on a network used for regulated services is allocated exclusively to those regulated services. If it also occurs that the LEC builds capacity to provide video service, but hesitates in providing that service, such capacity will be allocated exclusively to regulated telephone service. This is a particularly difficult problem where it may take many years to put in place the transmission capacity necessary to provide video service.

The PaOCA submits that the FCC should require an allocation of spare loop capacity to video service within a period of five years before video service is actually installed. Spare capacity should be allocated to both telephone and video during this period. An appropriate means of allocation would be to apply the same fixed allocator as referenced above. This would apply the appropriate capacity to each service. This would also safeguard telephone customers from paying for video capacity during the period when such capacity is being installed.

After video service is offered, the FCC may use more traditional nonregulated allocations. At that point, the FCC may assign from spare capacity based on the LEC's projections.

L. The Allocation Of Loop Plant To Deregulated Video Service Should Be Reflected Under The FCC's Price Cap Rules

The PaOCA supports the FCC's determination that an allocation of loop costs to the video network should result in a reduction in price cap rates. Id. at ¶ 60. Loop plant constitutes a significant part of the telephone network. The FCC also recognizes that almost all of the price cap LECs have chosen price cap formulas that have no sharing requirements. Id. at ¶ 61. Any cost allocation adopted by the FCC will have no real effect unless the FCC applies this revision to rates. This adjustment is necessary to the price cap form of regulation so that the cost allocations discussed above are actually realized in prices that reflect those cost allocations.

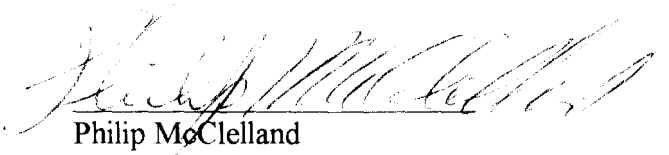
Given the large effect of allocating loop plant to video services, it is necessary in order to maintain "just and reasonable" rates to reflect such a cost reallocation through rates. Otherwise, cost allocation becomes an empty exercise having no real effect upon consumers. This is also required in light of the prohibitions in Section 254(k) of the Telecommunications Act that competitive

services may not be subsidized by non-competitive services and that universal service may not bear more than a reasonable share of joint and common loop allocation

III. CONCLUSION

The Pennsylvania Office of Consumer Advocate requests that the Commission issue regulations consistent with the Comments set forth above

Respectfully submitted,



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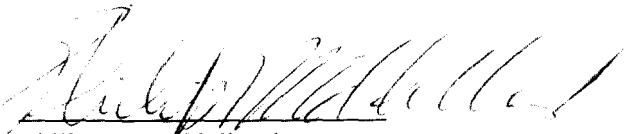
DATED: May 28, 1996
36903

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document, Comments Of The Pennsylvania Office Of Consumer Advocate, was sent by first class mail, postage prepaid, on this 29th day of May, 1996 to the parties listed below



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